



A French corporation with share capital of EUR 1,062,354,722.50
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RISK REPORT

PILLAR 3 30.09.2022

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1 KEY FIGURES

The amounts forming the prudential solvency and leverage ratios which are featured hereinafter take into account the transitional arrangements relating to the introduction of the IFRS 9 standard, over the whole historical period considered.

TABLE 1: KEY METRICS (KM1)

(In EURm)		30.09.2022	30.06.2022	31.03.2022	31.12.2021	30.09.2021
AVAILABLE OWN FUNDS (AMOUNTS)						
1	Common Equity Tier 1 (CET1) capital	47,614	47,254	48,211	49,835	47,752
2	Tier 1 capital	57,053	56,024	56,443	57,907	55,620
3	Total capital	69,444	67,835	66,990	68,487	66,432
RISK-WEIGHTED ASSETS (RWA)						
4	Total risk-weighted assets	371,645	367,637	376,636	363,371	363,508
CAPITAL RATIOS (AS A PERCENTAGE OF RWA)						
5	Common Equity Tier 1 ratio (%)	12.81%	12.85%	12.80%	13.71%	13.14%
6	Tier 1 ratio (%)	15.35%	15.24%	14.99%	15.94%	15.30%
7	Total capital ratio (%)	18.69%	18.45%	17.79%	18.85%	18.28%
ADDITIONAL OWN FUNDS REQUIREMENTS TO ADDRESS RISKS OTHER THAN THE RISK OF EXCESSIVE LEVERAGE (AS A PERCENTAGE OF RWA)						
EU 7a	Additional own funds requirements to address risks other than the risk of excessive leverage (%)	2.12%	2.12%	2.12%	1.75%	1.75%
EU 7b	of which to be made up of CET1 capital (%)	1.19%	1.19%	1.19%	0.98%	0.98%
EU 7c	of which to be made up of Tier 1 capital (%)	1.59%	1.59%	1.59%	1.31%	1.31%
EU 7d	Total SREP own funds requirements (%)	10.12%	10.12%	10.12%	9.75%	9.75%
COMBINED BUFFER REQUIREMENT (AS A PERCENTAGE OF RWA)						
8	Capital conservation buffer (%)	2.50%	2.50%	2.50%	2.50%	2.50%
EU 8a	Conservation buffer due to macro-prudential or systemic risk identified at the level of a Member State (%)	-	-	-	-	-
9	Institution-specific countercyclical capital buffer (%)	0.08%	0.05%	0.04%	0.04%	0.04%
EU 9a	Systemic risk buffer (%)	-	-	-	-	-
10	Global Systemically Important Institution buffer (%)	1.00%	1.00%	1.00%	1.00%	1.00%
EU 10a	Other Systemically Important Institution buffer	-	-	-	-	-
11	Combined buffer requirement (%)	3.58%	3.55%	3.54%	3.54%	3.54%
EU 11a	Overall capital requirements (%)	13.70%	13.67%	13.66%	13.29%	13.29%
12	CET1 available after meeting the total SREP own funds requirements (%)	7.12%	7.16%	7.11%	8.23%	7.65%
LEVERAGE RATIO						
13	Leverage ratio total exposure measure ⁽¹⁾	1,392,918	1,382,334	1,319,813	1,189,253	1,263,831
14	Leverage ratio (%)	4.10%	4.05%	4.28%	4.87%	4.40%
ADDITIONAL OWN FUNDS REQUIREMENTS TO ADDRESS RISKS OF EXCESSIVE LEVERAGE (AS A PERCENTAGE OF TOTAL EXPOSURE MEASURE)						
EU 14a	Additional own funds requirements to address the risk of excessive leverage (%)	-	-	-	-	-
EU 14b	of which to be made up of CET1 capital (%)	-	-	-	-	-
EU 14c	Total SREP leverage ratio requirements (%) ⁽²⁾	3.00%	3.00%	3.09%	3.09%	3.09%
LEVERAGE RATIO BUFFER AND OVERALL LEVERAGE RATIO REQUIREMENT (AS A PERCENTAGE OF TOTAL EXPOSURE MEASURE)						
EU 14d	Leverage ratio buffer requirement (%)	-	-	-	-	-
EU 14e	Overall leverage ratio requirements (%) ⁽²⁾	3.00%	3.00%	3.09%	3.09%	3.09%
LIQUIDITY COVERAGE RATIO						
15	Total high-quality liquid assets (HQLA) (Weighted value – average)	242,177	238,136	235,333	229,464	228,704

EU 16a	Cash outflows – Total weighted value	434,078	420,815	409,590	395,120	380,694
EU 16b	Cash inflows – Total weighted value	258,705	245,812	235,158	226,434	218,257
16	Total net cash outflows (adjusted value)	175,377	175,003	174,432	168,687	162,438
17	Liquidity coverage ratio (%)	138.05%	136.00%	134.72%	135.95%	141.15%
NET STABLE FUNDING RATIO						
18	Total available stable funding	617,615	615,879	629,042	619,442	598,266
19	Total required stable funding	548,457	549,492	561,828	561,043	567,222
20	NSFR ratio (%)	112.61%	112.08%	111.96%	110.41%	105.47%
<p>(1) Until 31 March 2022 included, the measurement of the leverage exposure took into account the option to exempt temporarily some central bank exposures in accordance with the European regulation. It is no more the case as of 30 June 2022.</p> <p>(2) The leverage ratio requirement applicable to Societe Generale group was 3.09% (enhancement of the initial regulatory requirement of 3% in relation to the abovementioned central bank exemption) until 31 March 2022 included. As of 30 June 2022 and 30 September, it is back to 3%.</p>						

TABLE 2: TLAC – KEY METRICS (KM2)

(in EURm)		TLAC				
		30.09.2022	30.06.2022	31.03.2022	31.12.2021	30.09.2021
OWN FUNDS AND ELIGIBLE LIABILITIES, RATIOS AND COMPONENTS⁽¹⁾						
1	Own funds and eligible liabilities	119,337	116,539	114,436	113,098	107,817
2	Total RWA of the Group	371,645	367,637	376,636	363,371	363,508
3	Own funds and eligible liabilities as a percentage of RWA	32.11%	31.70%	30.38%	31.12%	29.66%
4	Total exposure measure of the Group	1,392,918	1,382,334	1,319,813	1,189,253	1,263,831
5	Own funds and eligible liabilities as percentage of the total exposure measure	8.57%	8.43%	8.67%	9.51%	8.53%
6a	Does the subordination exemption in Article 72b(4) of the CRR apply? (5% exemption)	No	No	No	No	No
6b	Pro-memo item: Aggregate amount of permitted non-subordinated eligible liabilities instruments If the subordination discretion as per Article 72b(3) CRR is applied (max 3.5% exemption)	9,287	9,023	7,114	6,921	5,571
6c	Pro-memo item: If a capped subordination exemption applies under Article 72b (3) CRR, the amount of funding issued that ranks pari passu with excluded liabilities and that is recognised under row 1, divided by funding issued that ranks pari passu with excluded Liabilities and that would be recognised under row 1 if no cap was applied (%)	100.00%	100.00%	100.00%	100.00%	100.00%
(1) With IFRS 9 phasing effect taken into account over the whole historical period considered.						

As at 30 September 2022, the Group presents a TLAC ratio 32,11% of risk-weighted assets (RWA) with the option of senior preferred debt limited to 3.5% of RWA (the ratio being 29.61% without this option).

The Group is thus above the minimum regulatory requirement of 21.55%.

The Group's TLAC ratio is 8.57% of the leverage exposure; the minimum regulatory requirement is 6.75%.

2 CAPITAL MANAGEMENT AND ADEQUACY

2.1 REGULATORY CAPITAL

TABLE 3: REGULATORY CAPITAL AND SOLVENCY RATIOS ⁽¹⁾

<i>(In EURm)</i>	30.09.2022	31.12.2021
Shareholders' equity (IFRS), Group share	66,311	65,067
Deeply subordinated notes	(9,350)	(8,003)
Perpetual subordinated notes	(0)	(0)
Group consolidated shareholders' equity net of deeply subordinated and perpetual subordinated notes	56,961	57,064
Non-controlling interests	4,760	4,762
Intangible assets	(1,973)	(1,828)
Goodwill	(3,460)	(3,408)
Dividends proposed (to the General Meeting) and interest expenses on deeply subordinated and perpetual subordinated notes	(1,325)	(2,345)
Deductions and regulatory adjustments	(7,349)	(4,410)
COMMON EQUITY TIER 1 CAPITAL	47,614	49,835
Deeply subordinated notes and preferred shares	9,350	8,003
Other additional Tier 1 capital	229	206
Additional Tier 1 deductions	(140)	(137)
TOTAL TIER 1 CAPITAL	57,053	57,907
Tier 2 instruments	13,595	11,820
Other Tier 2 capital	260	287
Tier 2 deductions	(1,464)	(1,527)
Total regulatory capital	69,444	68,487
TOTAL RISK-WEIGHTED ASSETS	371,646	363,371
Credit and counterparty credit risk-weighted assets	310,696	304,922
Market risk-weighted assets	15,324	11,643
Operational risk-weighted assets	45,626	46,806
Solvency ratios		
Common Equity Tier 1 ratio	12.81%	13.71%
Tier 1 ratio	15.35%	15.94%
Total capital ratio	18.69%	18.85%
<i>(1) Ratios set in accordance with CRR2/CRD5 rules as published in June 2019, including Danish compromise for insurance, and taking into account the IFRS 9 phasing (fully-loaded CET1 ratio of 12.9% as at 30 September 2022, the phasing effect being +15 bps).</i>		

2.2 RISK-WEIGHTED ASSETS AND CAPITAL REQUIREMENTS

TABLE 4: OVERVIEW OF RISK-WEIGHTED ASSETS (OV1)

	Risk-weighted assets (RWA)		Total own funds requirements
	30.09.2022	31.12.2021	30.09.2022
<i>(In EURm)</i>			
Credit risk (excluding counterparty credit risk)	271,963	271,012	21,757
o.w. standardised approach	95,360	103,323	7,629
o.w. Foundation IRB (FIRB) approach	4,213	4,121	337
o.w. slotting approach	720	752	58
o.w. equities under the simple risk-weighted approach	3,404	3,515	272
o.w. other equities under IRB approach	14,716	18,189	1,177
o.w. Advanced IRB (AIRB) approach	153,551	141,111	12,284
Counterparty credit risk – CCR	31,160	27,478	2,493
o.w. standardised approach ⁽¹⁾	8,102	9,304	648
o.w. internal model method (IMM)	17,145	13,088	1,372
o.w. exposures to a CCP	1,084	1,273	87
o.w. credit valuation adjustment – CVA	3,521	2,807	282
o.w. other CCR	1,308	1,007	105
Settlement risk	12	63	1
Securitisation exposures in the non-trading book (after the cap)	7,562	6,368	605
o.w. SEC-IRBA approach	2,764	2,082	221
o.w. SEC-ERBA incl IAA	3,881	3,978	311
o.w. SEC-SA approach	916	308	73
o.w. 1,250%/deductions	-	-	-
Position, foreign exchange and commodities risks (Market risk)	15,324	11,643	1,226
o.w. standardised approach	2,528	1,419	202
o.w. IMA	12,796	10,225	1,024
Large exposures	-	-	-
Operational risk	45,626	46,806	3,650
o.w. basic indicator approach	-	-	-
o.w. standardised approach	1,232	2,412	99
o.w. advanced measurement approach	44,394	44,394	3,552
Amounts (included in the “credit risk” section above) below the thresholds for deduction (subject to 250% risk weight)	7,835	7,344	627
TOTAL	371,645	363,371	29,732

The following table presents the risk-weighted assets by core business:

TABLE 5: DISTRIBUTION OF RWA BY CORE BUSINESS AND RISK TYPE

<i>(In EURbn)</i>	Credit and counterparty credit	Market	Operational	Total 30.09.2022	Total 31.12.2021
French Retail Banking ⁽¹⁾	103.2		5.0	108.2	103,8
International Retail Banking and Financial Services	106.1	0.3	4.5	110.9	117,7
Global Banking and Investor Solutions ⁽¹⁾	88.6	13.9	28.9	131.5	122,8
Corporate Centre	12.8	1.1	7.1	21.0	19,0
Group	310.7	15.3	45.6	371.6	363,4

As at 30 September 2022, RWA (EUR 371.6 billion) were distributed as follows:

- credit and counterparty credit risks accounted for 84% of RWA (of which 34% for International Retail Banking and Financial Services);
- market risk accounted for 4% of RWA (of which 91% for Global Banking and Investor Solutions);
- operational risk accounted for 12% of RWA (of which 63% for Global Banking and Investor Solutions).

2.3 LEVERAGE RATIO

TABLE 6: LEVERAGE RATIO SUMMARY AND TRANSITION FROM PRUDENTIAL BALANCE SHEET TO LEVERAGE EXPOSURE⁽¹⁾

<i>(In EURm)</i>	30.09.2022	31.12.2021
Tier 1 capital⁽²⁾	57,053	57,907
Total assets in prudential balance sheet⁽³⁾	1,445,536	1,299,698
Adjustments for derivative financial instruments	(37,495)	8,619
Adjustments for securities financing transactions ⁽⁴⁾	17,423	14,896
Off-balance sheet exposure (loan and guarantee commitments)	126,919	118,263
Technical and prudential adjustments	(159,465)	(252,223)
<i>o.w. central banks exemption</i>	-	(117,664)
Leverage ratio exposure	1,392,918	1,189,253
Leverage ratio	4.10%	4.87%

(1) Ratio set in accordance with CRR2 rules and taking into account the IFRS 9 phasing (leverage ratio of 4.06% without phasing as at 30 September 2022, the phasing effect being +4 bps).

(2) The capital overview is available in table 3.

(3) The prudential balance sheet corresponds to the IFRS balance sheet less entities accounted for through the equity method (mainly insurance subsidiaries).

(4) Securities financing transactions: repurchase transactions, securities lending or borrowing transactions and other similar transactions.

2.4 FINANCIAL CONGLOMERATE RATIO

As at 30 September 2022, the financial conglomerate ratio was 140%, consisting of a numerator "Own funds of the Financial Conglomerate" of EUR 74 billion, and a denominator "Regulatory requirement of the Financial Conglomerate" of EUR 52.8 billion.

As at 31 December 2021, the financial conglomerate ratio was 150%, consisting of a numerator "Own funds of the Financial Conglomerate" of EUR 76.1 billion, and a denominator "Regulatory requirement of the Financial Conglomerate" of EUR 50.9 billion.

2.5 ADDITIONAL QUANTITATIVE INFORMATION ON OWN FUNDS AND CAPITAL ADEQUACY

TABLE 7: COMPARISON OF OWN FUNDS AND CAPITAL AND LEVERAGE RATIOS WITH AND WITHOUT THE APPLICATION OF TRANSITIONAL ARRANGEMENTS FOR IFRS 9 (IFRS9-FL)

<i>(In EURm)</i>		30.09.2022	30.06.2022	31.03.2022	31.12.2021	30.09.2021
AVAILABLE CAPITAL (AMOUNTS)						
1	Common Equity Tier 1 (CET1) capital	47,614	47,254	48,211	49,835	47,752
2	Common Equity Tier 1 (CET1) capital as if IFRS 9 or analogous ECLs transitional arrangements had not been applied	47,043	46,906	47,728	49,223	47,044
3	Tier 1 capital	57,053	56,024	56,443	57,907	55,620
4	Tier 1 capital as if IFRS 9 or analogous ECLs transitional arrangements had not been applied	56,482	55,676	55,960	57,295	54,912
5	Total capital	69,444	67,835	66,990	68,487	66,432
6	Total capital as if IFRS 9 or analogous ECLs transitional arrangements had not been applied	68,873	67,486	66,507	67,875	65,724
RISK-WEIGHTED ASSETS (AMOUNTS)						
7	Total risk-weighted assets	371,645	367,637	376,636	363,371	363,508
8	Total risk-weighted assets as if IFRS 9 or analogous ECLs transitional arrangements had not been applied	371,645	367,610	376,482	363,216	363,356
CAPITAL RATIOS						
9	Common Equity Tier 1 (as a percentage of RWA)	12.81%	12.85%	12.80%	13.71%	13.14%
10	Common Equity Tier 1 (as a percentage of RWA) as if IFRS 9 or analogous ECLs transitional arrangements had not been applied	12.66%	12.76%	12.68%	13.55%	12.95%
11	Tier 1 (as a percentage of RWA)	15.35%	15.24%	14.99%	15.94%	15.30%
12	Tier 1 (as a percentage of RWA) as if IFRS 9 or analogous ECLs transitional arrangements had not been applied	15.20%	15.15%	14.86%	15.77%	15.11%
13	Total capital (as a percentage of RWA)	18.69%	18.45%	17.79%	18.85%	18.28%
14	Total capital (as a percentage of RWA) as if IFRS 9 or analogous ECLs transitional arrangements had not been applied	18.53%	18.36%	17.67%	18.69%	18.09%
LEVERAGE RATIO						
15	Leverage ratio total exposure measure ⁽¹⁾	1,392,918	1,382,334	1,319,813	1,189,253	1,263,831
16	Leverage ratio	4.10%	4.05%	4.28%	4.87%	4.40%
17	Leverage ratio as if IFRS 9 or analogous ECLs transitional arrangements had not been applied	4.06%	4.03%	4.24%	4.82%	4.35%

(1) Leverage ratio total exposure measure taking into account the IFRS 9 transitional provisions over the whole historical period considered, as well as the option to exempt some central bank exposures until 31 March 2022 included.

3 CREDIT RISK

3.1 QUANTITATIVE INFORMATION

TABLE 8: PERFORMING AND NON-PERFORMING EXPOSURES AND RELATED PROVISIONS (CR1)

30.09.2022															
<i>(In EURm)</i>	Gross carrying amount/nominal amount						Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions						Accumulated write-off	Collateral and financial guarantees received	
	Performing exposures			Non-performing exposures			Performing exposures – accumulated impairment and provisions			Non-performing exposures – accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions				On performing exposures	On non-performing exposures
	TOTAL	of which stage 1 ⁽¹⁾	of which stage 2 ⁽²⁾	TOTAL	of which stage 2 ⁽²⁾	of which stage 3 ⁽³⁾	TOTAL	of which stage 1 ⁽¹⁾	of which stage 2 ⁽²⁾	TOTAL	of which stage 2 ⁽²⁾	of which stage 3 ⁽³⁾			
Cash balances at central banks and other demand deposits	231,773	231,743	30	-	-	-	-	-	-	-	-	-	-	7	-
Loans and advances	573,065	511,233	43,984	15,627	-	15,619	(3,118)	(1,074)	(2,043)	(7,829)	-	(7,828)	1,116	303,385	4,893
Central banks	16,353	16,353	-	13	-	13	-	-	-	(13)	-	(13)	-	48	-
General governments	24,829	17,408	365	101	-	101	(9)	(6)	(3)	(65)	-	(65)	-	6,003	24
Credit institutions	21,543	21,090	403	66	-	66	(7)	(6)	(1)	(19)	-	(19)	-	2,226	16
Other financial corporations	48,778	45,697	157	168	-	168	(15)	(9)	(7)	(140)	-	(140)	-	11,117	27
Non-financial corporations	259,349	228,920	23,095	9,794	-	9,788	(2,085)	(683)	(1,402)	(4,741)	-	(4,741)	521	129,563	3,473
<i>of which SMEs</i>	62,354	51,821	9,352	5,178	-	5,172	(730)	(260)	(470)	(2,752)	-	(2,752)	-	41,060	1,807
Households	202,211	181,764	19,965	5,485	-	5,482	(1,001)	(371)	(631)	(2,851)	-	(2,851)	596	154,428	1,353
Debt securities	61,569	61,108	169	142	-	142	(10)	(8)	(2)	(55)	-	(55)	-	7,614	-
Central banks	3,078	3,078	-	-	-	-	-	-	-	-	-	-	-	-	-
General governments	45,603	45,443	40	-	-	-	(7)	(6)	(1)	-	-	-	-	-	-
Credit institutions	3,784	3,737	47	-	-	-	-	-	-	-	-	-	-	142	-
Other financial corporations	3,303	3,146	1	7	-	7	(2)	(1)	(1)	(7)	-	(7)	-	1,976	-
Non-financial corporations	5,800	5,704	81	136	-	136	-	-	-	(49)	-	(49)	-	5,496	-
Off-balance- sheet exposures	501,056	491,479	9,577	999	-	999	(625)	(264)	(361)	(320)	-	(320)	-	73,688	207
Central banks	3,266	3,266	-	-	-	-	-	-	-	-	-	-	-	3	-
General governments	6,135	6,083	52	-	-	-	(1)	(1)	-	-	-	-	-	3,861	-
Credit institutions	172,459	171,951	507	48	-	48	(57)	(3)	(54)	(3)	-	(3)	-	541	-
Other financial corporations	91,615	91,210	405	19	-	19	(12)	(8)	(4)	(3)	-	(3)	-	10,113	18
Non-financial corporations	212,820	204,723	8,098	890	-	890	(496)	(224)	(272)	(298)	-	(298)	-	54,317	183
Households	14,761	14,245	515	42	-	42	(60)	(28)	(31)	(17)	-	(17)	-	4,853	6
TOTAL	1,367,463	1,295,563	53,761	16,768	-	16,760	(3,752)	(1,346)	(2,406)	(8,204)	-	(8,203)	1,116	384,694	5,100

(1) Assets without significant increase in credit risk since initial recognition.

(2) Assets with significant increase in credit risk since initial recognition, but not impaired.

(3) Impaired assets.

3.2 ADDITIONAL QUANTITATIVE INFORMATION ON CREDIT RISK

TABLE 9: RWA FLOW STATEMENT OF CREDIT RISK EXPOSURES UNDER THE IRB APPROACH (CR8)

<i>(In EURm)</i>	Risk-weighted assets (RWA)
RWA as at the end of the previous reporting period (30.06.2022)	180,855
Asset size (+/-)	747
Asset quality (+/-)	(2,696)
Model updates (+/-)	2,635
Methodology and policy (+/-)	-
Acquisitions and disposals (+/-)	(293)
Foreign exchange movements (+/-)	1,781
Other (+/-)	(173)
RWA as at the end of the reporting period (30.09.2022)	182,856

4 COUNTERPARTY CREDIT RISK

4.1 QUANTITATIVE INFORMATION

TABLE 10: RWA FLOW STATEMENT OF COUNTERPARTY CREDIT RISK EXPOSURES UNDER THE IMM (CCR7)

<i>(In EURm)</i>	Risk-weighted assets (RWA)
RWA as at end of previous reporting period (30.06.2022)	14,674
Asset size	1,934
Credit quality of counterparties	(10)
Model updates (IMM only)	-
Methodology and policy (IMM only)	-
Acquisitions and disposals	-
Foreign exchange movements	627
Other	-
RWA as at end of reporting period (30.09.2022)	17,226

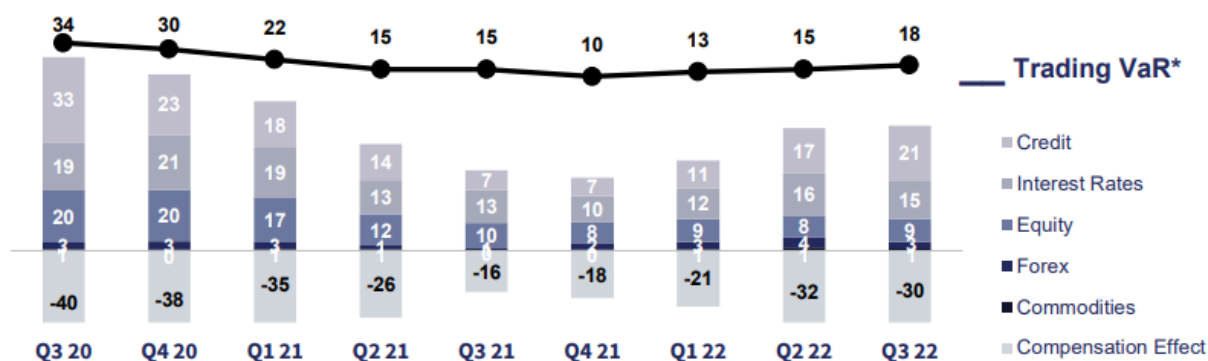
The table above displays data without CVA (Credit Valuation Adjustment) which amounts to EUR 2.7 billion in advanced method.

5 MARKET RISK

5.1 CHANGE IN TRADING VAR

Quarterly average of the 99% Value at Risk (VaR), a composite indicator used for the day-to-day monitoring of the market risk incurred by the bank, on the scope of its trading activities, in EUR million:

Change in trading var* and stressed var**



Stressed VAR** (1 day 99%, in EUR M)	Q3 21	Q4 21	Q1 22	Q2 22	Q3 22
Minimum	23	24	23	18	17
Maximum	58	64	48	52	47
Average	38	39	32	30	32

* Trading VaR: measurement over one year (i.e. 260 scenarios) of the greatest risk obtained after elimination of 1% of the most unfavourable occurrences

** Stressed VaR : Identical approach to VaR (historical simulation with 1-day shocks and a 99% confidence interval), but over a fixed one-year historical window corresponding to a period of significant financial tension instead of a one-year rolling period

5.2 ADDITIONAL QUANTITATIVE INFORMATION ON MARKET RISK

TABLE 11: RWA FLOW STATEMENT OF MARKET RISK EXPOSURES UNDER THE INTERNAL MODEL APPROACH (MR2-B)

<i>(In EURm)</i>	VaR	SVaR	IRC	CRM	Other	Total RWA	Total own funds requirements
RWA at end of previous reporting period (30.06.2022)	2,637	6,721	883	686		10,927	874
<i>Regulatory adjustment</i>	<i>(2,012)</i>	<i>(4,454)</i>	<i>(256)</i>	-	-	<i>(6,723)</i>	<i>(538)</i>
<i>RWA at the previous quarter-end (end of the day)</i>	<i>625</i>	<i>2,267</i>	<i>627</i>	<i>686</i>	-	<i>4,205</i>	<i>336</i>
Movement in risk levels	557	298	344	(20)	-	1,179	94
Model updates/changes	(232)	833	-	-	-	602	48
Methodology and policy	-	-	-	-	-	-	-
Acquisitions and disposals	-	-	-	-	-	-	-
Foreign exchange movements	(5)	(8)	-	-	-	(13)	(1)
Other	-	-	-	-	-	-	-
<i>RWA at the end of the disclosure period (end of the day)</i>	<i>945</i>	<i>3,391</i>	<i>971</i>	<i>666</i>	-	<i>5,972</i>	<i>478</i>
<i>Regulatory adjustment</i>	<i>2,363</i>	<i>4,399</i>	-	<i>62</i>	-	<i>6,823</i>	<i>546</i>
RWA at end of reporting period (30.09.2022)	3,308	7,789	971	728	-	12,796	1,024

Effects are defined as follows:

- Regulatory adjustment: difference between RWA used for the purpose of regulatory RWA calculation on the one hand and RWA of the last day or of the last week of the period on the other hand;
- Movement in risk levels: changes due to position changes;
- Model updates/changes: significant updates to the model to reflect recent experience (e.g. recalibration), as well as significant changes in model scope;
- Methodology and policy: methodology changes to the calculations driven by regulatory policy changes;
- Acquisitions and disposals: modifications due to acquisition or disposal of business/product lines or entities;
- Foreign exchange movements: changes arising from foreign currency fluctuations.

6 LIQUIDITY RISK

6.1 LIQUIDITY RESERVE

TABLE 12: LIQUIDITY RESERVE

<i>(In EURbn)</i>	30.09.2022	31.12.2021
Central bank deposits (excluding mandatory reserves)	189	168
HQLA securities available and transferable on the market (after haircut)	60	58
Other available central bank-eligible assets (after haircut)	5	3
TOTAL	255	229

6.2 REGULATORY RATIOS

The Group manages its liquidity risk through the LCR, the NSFR and liquidity gaps, under stress and under normal conditions of activity under a global consideration (*i.e.* all currencies combined), and this, by making sure at any time that the liquidity is transferable across the main currencies. The framework is enriched by specific indicators to monitor the liquidity position in USD.

Since the implementation of the European regulatory LCR requirement in October 2015, Societe Generale's LCR has consistently stood at over 100%. The LCR stood at 143% at end of September 2022 (vs. 140% at end of June 2022). Since the NSFR has entered into force, it has consistently stood at over 100% and stands at 113% at end of September 2022.

The LCR regulatory requirement must be respected by the Group in all currencies but it is also reported in the major currency in US dollars. The Group assessment performed on potential currency mismatches between liquid assets and net outflows uses a metric, namely the "adjusted LCR excess in USD¹" to complement the LCR in all currencies.

¹ "Adjusted" means after removal of the regulatory caps and regulatory asymmetry between the cross currency collateral swaps and the FX swaps.

TABLE 13: LIQUIDITY COVERAGE RATIO (LIQ1)

The liquidity coverage ratio is calculated as the simple average of month-end observations over the twelve months preceding the end of each quarter.

Prudential Group (<i>In EURm</i>)	Total unweighted value (in average)				Total weighted value (in average)			
	30.09.2022	30.06.2022	31.03.2022	31.12.2021	30.09.2022	30.06.2022	31.03.2022	31.12.2021
High-quality liquid assets								
Total high-quality liquid assets (HQLA)					242,177	238,136	235,333	229,464
Cash – Outflows								
Retail deposits and deposits from small business customers, of which:	231,136	228,527	225,948	223,282	18,693	18,415	18,105	17,669
<i>Stable deposits</i>	122,569	121,113	120,126	121,021	6,128	6,056	6,006	6,051
<i>Less stable deposits</i>	103,742	102,398	100,552	96,373	12,544	12,341	12,083	11,604
Unsecured wholesale funding	307,312	301,779	292,765	279,852	165,700	162,798	158,345	151,095
<i>Operational deposits (all counterparties) and deposits in networks of cooperative banks</i>	72,616	72,562	70,349	66,849	17,659	17,653	17,111	16,249
<i>Non-operational deposits (all counterparties)</i>	220,519	214,152	206,058	195,838	133,863	130,080	124,876	117,680
<i>Unsecured debt</i>	14,178	15,065	16,358	17,165	14,178	15,065	16,358	17,165
Secured wholesale funding					105,934	106,023	104,645	100,549
Additional requirements	209,420	200,219	191,339	185,554	74,769	68,608	64,006	62,211
<i>Outflows related to derivative exposures and other collateral requirements</i>	41,600	36,427	32,887	32,319	39,552	34,448	31,052	30,735
<i>Outflows related to loss of funding on debt products</i>	10,853	10,457	10,000	9,116	10,853	10,457	10,000	9,116
<i>Credit and liquidity facilities</i>	156,967	153,334	148,452	144,119	24,365	23,703	22,954	22,360
Other contractual funding obligations	67,450	63,817	63,496	62,574	67,450	63,817	63,496	62,574
Other contingent funding obligations	64,106	60,740	56,879	53,855	1,531	1,155	992	963
TOTAL CASH OUTFLOWS					434,078	420,815	409,590	395,060
CASH – INFLOWS								
Secured lending (eg reverse repos)	309,590	304,082	295,777	282,077	99,420	96,209	92,410	89,005
Inflows from fully performing exposures	52,794	50,404	48,046	45,567	45,204	42,819	40,651	38,451
Other cash inflows	118,402	110,543	105,281	101,286	114,081	106,784	102,097	98,693
(Difference between total weighted inflows and total weighted outflows arising from transactions in third countries where there are transfer restrictions or which are denominated in non-convertible currencies)							-	-
(Excess inflows from a related specialised credit institution)							-	-
TOTAL CASH INFLOWS	480,786	465,030	449,105	428,930	258,705	245,812	235,158	226,148
<i>Fully exempt Inflows</i>	-	-	-	-	-	-	-	-
<i>Inflows subject to 90% cap</i>	-	-	-	-	-	-	-	-
<i>Inflows subject to 75% cap</i>	376,735	360,313	346,275	331,124	258,705	245,812	235,158	226,148
TOTAL ADJUSTED VALUE								
LIQUIDITY BUFFER					241,995	237,934	234,974	229,105
TOTAL NET CASH OUTFLOWS					175,373	175,003	174,432	168,912
LIQUIDITY COVERAGE RATIO (%)					138.06%	136.00%	134.72%	135.78%

As of 30 September 2022, the average of Societe Generale's LCR stood at 138% (arithmetic average of the twelve LCR monthly values from October 2021 to September 2022, in accordance with the prudential disclosure requirement emanating from Regulation (EU) No 2019/876).

Reported LCR was 143% as of 30 September 2022, or EUR 75 billion of liquidity surplus over the regulatory requirement of 100%. This compares to 140%, or EUR 67 billion of liquidity surplus, as of 30 June 2022.

As of 30 September 2022, the numerator of the LCR included EUR 189 billion of central bank reserves (EUR 71 billion in the form of withdrawable central bank reserves and EUR 118 billion in the form of overnight deposits classified as level 1 assets). Level 1 assets are complemented with EUR 53 billion of Level 1 high-quality securities. Level 2 high-quality securities stand at EUR 7 billion.

The euro accounted for 63% of Societe Generale's total high-quality liquid assets as at 30 September 2022. The US dollar also accounted for more than 5% of liquid assets, with a weight of 18%. The liquidity profile of the Group in US dollars is framed by a set of thresholds and metrics, including indicators of liquidity excess under stress, in US dollars.

Societe Generale ensures it does not overly rely on any given individual counterparty or segment by setting and monitoring concentration risk metrics on secured and unsecured markets. For instance, unsecured short-term funding is subject to thresholds by counterparty type (Corporates, Central banks, Public sector, Asset managers, etc). Secured funding is framed to ensure that the drying up of liquidity in any segment of the repo market (counterparty segments, underlying collateral segments, currencies) would not materially impair the refinancing of inventories in capital markets. In addition to this, the Group's long-term funding is structurally diversified. The plain vanilla funding programme is split into various currencies, instruments and geographies and seeks to continuously expand the investor base. Structured issuances are highly granular (multiple distributing networks) and provide a diversification in terms of nature of investors.

Societe Generale impacts its LCR computation to factor in collateral needs for covered bonds issuance vehicles and other vehicles used in capital markets activities, in case of a 3-notch downgrade of Societe Generale's credit rating. Societe Generale also impacts its LCR computation to factor in a potential adverse market shock based on a 24-month historical look-back approach.

Intraday funding requirements give rise to dedicated reserves which are taken into account when computing liquidity stress tests based on internal models, which ground the control of the Societe Generale Group survival horizon under stress.

7 APPENDICES

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